GOVERNMENT OF INDIA
DISINVESTMENT
LOK SABHA

UNSTARRED QUESTION NO:1322
ANSWERED ON:02.03.2001
MERGER OF IBPL WITH HPCL/BPCL
GANTA SRINIVASA RAO

Will the Minister of DISINVESTMENT be pleased to state:

(a) whether the Government have considered the recommendations of Nitin Sengupta Committee report for merger of IBPL with either Bharat Petroleum Corporation Limited or Hindustan Petroleum Corporation Limited;

(b) whether the recommendations in regard to Indo-Burma Petroleum Limited have categorically been rejected by Government; and

(c) if so, the reasons therefor ?

Answer

MINISTER OF STATE (INDEPENDENT CHARGE) OF THE DEPARTMENT OF DISINVESTMENT, MINISTER OF STATE MINISTRIES OF PLANNING, STATISTICS & PROGRAMME IMPLEMENTATION AND MINISTER OF STATE IN THE DEPARTMENT OF ADMINISTRATIVE REFORMS AND PUBLIC GRIEVANCES (SHRI ARUN SHOURIE)

(a) to (c) The Disinvestment Commission had recommended that Government, while retaining 26% of equity in IBP, might offer the balance to an Indian oil company or joint sector oil company or foreign oil companies, through an international global bidding process. However, after considering various options including the one recommended in Nitish Sengupta Committee Report and all aspects, it was decided that Government would retain only 26% equity in IBP Co. Limited and disinvestment of the balance 33.6% may be carried out through international competitive bidding in which the domestic oil companies can participate.